

AMENDED IN SENATE APRIL 10, 2012

SENATE BILL

No. 1405

Introduced by Senator De León

February 24, 2012

An act to add ~~Section 5135~~ *Sections 5058.4 and 5070.2* to the Business and Professions Code, relating to accountancy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1405, as amended, De León. Accountancy: ~~renewal exemption: military service: service: inactive status.~~

Existing law provides for the regulation of various professions and vocations by boards within the Department of Consumer Affairs and for the licensure of individuals in that regard. Existing law authorizes any licensee whose license expired while he or she was on active duty as a member of the California National Guard or the United States Armed Forces to reinstate his or her license without examination or penalty if certain requirements are met. Existing law provides for the licensure and regulation of the practice of accountancy by the California Board of Accountancy. A permit issued to a certified public accountant or a public accountant is subject to a biennial renewal fee. *Existing law also imposes certain continuing education and peer review requirements on persons licensed by the board. Existing law makes violation of certain provisions governing accountants a crime.*

This bill, ~~beginning January 1, 2014, would instead provide a specific exemption from the biennial renewal fee for~~ *authorize a certified public accountant or a public accountant to apply to the board to have his or her permit placed in a military inactive status while he or she is engaged in full-time training or active military service active duty as a member of the California National Guard or the United States Armed Forces,*

and would exempt a person granted that status from paying the biennial renewal fee or participating in continuing education and peer review activities. The bill would prohibit the holder of an exempt permit a person in military exempt status from engaging in the practice of public accountancy and would impose various other requirements. The bill would thereby change the definition of a crime and impose a state-mandated local program. The bill would make the holder of an exempt permit liable for payment of require a person in military exempt status to pay the biennial renewal fee and to meet continuing education and peer review requirements within a specified period after his or her discharge from full-time training or active military service active duty.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 5135 is added to the Business and~~
- 2 ~~Professions Code, to read:~~
- 3 ~~5135. (a) Notwithstanding Section 114 or any other provision~~
- 4 ~~of law, the holder of a permit issued to a certified public accountant~~
- 5 ~~or a public accountant shall be exempt from the biennial renewal~~
- 6 ~~fee described in Section 5134 while the permitholder is engaged~~
- 7 ~~in full-time training or active service in the United States Army,~~
- 8 ~~Navy, Air Force, or Marine Corps.~~
- 9 ~~(b) The holder of a permit exempt from the biennial renewal~~
- 10 ~~fee pursuant to subdivision (a) shall not engage in the practice of~~
- 11 ~~public accountancy.~~
- 12 ~~(c) An exempt permitholder shall become liable for payment~~
- 13 ~~of the biennial renewal fee upon his or her discharge from full-time~~
- 14 ~~training or active service and shall have 60 days after his or her~~
- 15 ~~discharge date to pay the biennial renewal fee before the~~
- 16 ~~delinquency fee is required. Any person who is discharged from~~
- 17 ~~full-time training or active service within 60 days of the end of a~~

1 renewal period is exempt from the payment of the renewal fee for
2 that period.

3 ~~(d) The time spent in full-time training or active service shall~~
4 ~~not be included in the computation of the five-year period for~~
5 ~~renewal or reinstatement of licensure as provided in Sections~~
6 ~~5070.6 and 5070.7.~~

7 *SECTION 1. Section 5058.4 is added to the Business and*
8 *Professions Code, to read:*

9 *5058.4. The holder of a permit in a military inactive status*
10 *issued by the board pursuant to Section 5070.2, when lawfully*
11 *using the title “certified public accountant,” the CPA designation,*
12 *or any other reference that would suggest that the person is*
13 *licensed by the board, on materials such as correspondence,*
14 *Internet Web sites, business cards, nameplates, or name plaques,*
15 *shall place the term “military inactive” immediately after that*
16 *title, designation, or reference.*

17 *SEC. 2. Section 5070.2 is added to the Business and Professions*
18 *Code, to read:*

19 *5070.2. (a) (1) Beginning January 1, 2014, a holder of a*
20 *permit may apply to have his or her permit placed in a military*
21 *inactive status if the holder of a permit is engaged in, and provides*
22 *sufficient evidence of, active duty as a member of the California*
23 *National Guard or the United States Armed Forces.*

24 *(2) The board shall deny an applicant’s application for a*
25 *military inactive status permit if the permit issued pursuant to*
26 *Section 5070 is canceled or if it is suspended, revoked, or otherwise*
27 *punitively restricted by the board or subject to disciplinary action*
28 *under this chapter.*

29 *(b) No holder of a permit in a military inactive status shall*
30 *engage in any activity for which a permit is required.*

31 *(c) The holder of a permit in a military inactive status shall be*
32 *exempt from all of the following:*

33 *(1) Payment of the biennial renewal fee described in subdivision*
34 *(f) of Section 5134.*

35 *(2) The continuing education requirements of Section 5027.*

36 *(3) The peer review requirements of Section 5076.*

37 *(d) In order to convert a permit status from military inactive*
38 *status prior to discharge from active duty as a member of the*
39 *California National Guard or the United States Armed Forces,*

1 *the holder of a permit in a military inactive status shall comply*
2 *with all of the following requirements:*

3 *(1) Pay the current biennial renewal fee described in subdivision*
4 *(f) of Section 5134.*

5 *(2) Meet continuing education requirements as prescribed by*
6 *the board.*

7 *(3) Meet the peer review requirements as prescribed by the*
8 *board.*

9 *(e) The holder of a permit in a military inactive status shall,*
10 *within one year from his or her discharge from active duty as a*
11 *member of the California National Guard or the United States*
12 *Armed Forces, comply with all of the following requirements:*

13 *(1) Provide evidence to the board of the discharge date.*

14 *(2) Pay the current biennial renewal fee described in subdivision*
15 *(f) of Section 5134.*

16 *(3) Meet continuing education requirements as prescribed by*
17 *the board.*

18 *(4) Meet the peer review requirements as prescribed by the*
19 *board.*

20 *(f) The board may adopt regulations as necessary to administer*
21 *this section.*

22 *SEC. 3. No reimbursement is required by this act pursuant to*
23 *Section 6 of Article XIII B of the California Constitution because*
24 *the only costs that may be incurred by a local agency or school*
25 *district will be incurred because this act creates a new crime or*
26 *infraction, eliminates a crime or infraction, or changes the penalty*
27 *for a crime or infraction, within the meaning of Section 17556 of*
28 *the Government Code, or changes the definition of a crime within*
29 *the meaning of Section 6 of Article XIII B of the California*
30 *Constitution.*